

216.102 Policies.

(1) In accordance with section 829 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328), the contracting officer shall first consider the use of fixed-price contracts, including fixed-price incentive contracts, in the determination of contract type. See [216.301-3\(2\)](#) for approval requirements for certain cost-reimbursement contracts.

(2) In accordance with section 811 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239), use of any cost-reimbursement line item for the acquisition of production of major defense acquisition programs is prohibited unless the exception at [234.004\(2\)\(ii\)](#) applies.

(3) See [225.7301-1](#) for the requirement to use fixed-price contracts for acquisitions for foreign military sales.

Parent topic: [SUBPART 216.1 —SELECTING CONTRACT TYPES](#)